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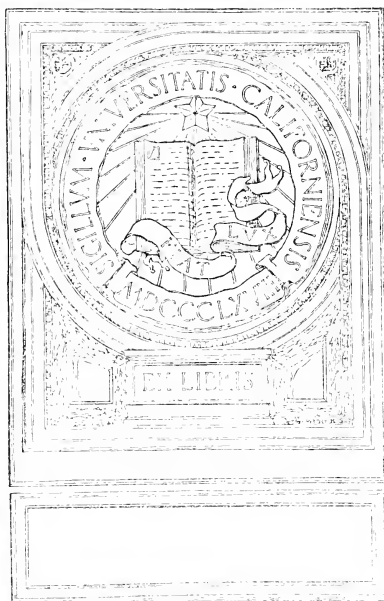


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THE

Howe's
"LABOR SIDE

— OF THE —

GREAT SUGAR QUESTION.

— BY —

A WORKINGMAN.

NEW YORK.

1878.

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EXPLANATORY.

The American people have, during the past year, heard much about frauds, adulteration, &c., in connection with the importation and refining of sugar. Charges have been made over and over again, *maliciously*, by designing and interested parties. These charges have, in every single instance, been made *anonymously* in the press. The makers of these charges have never had the manliness to make them specific—to mention the names of those so accused by them—and thus place themselves within the reach of law. They were and are afraid to do this. The object they had in view was to make the public believe that certain importers and refiners of sugar were cheats and adulterators—public enemies—create a public opinion hostile to them, and by the pressure of that opinion force the hand of Congress and the Senate to frame the tariff for which they have been all along plotting. The following pages are the answer to these charges. In them will be seen who the accusers are; what are their arguments, what their aims, and what would be the results of their success to one of the greatest industries on this continent. The facts stated in these pages can be relied upon as *true*. Now that the public has the facts, let the public judge!

✓ ROBERT HOWE,

Sugar man.

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MAGNITUDE OF THE QUESTION.

"That is a Sugar Refinery," said old Ludwig Kraft to a sallow colored gentleman, who had asked him what was a great building on the other side of the way. Kraft is a white-haired old fellow who has worked in a refinery for the last forty years. It has been my custom, every now and then, to sit and chat with the old gentleman for an hour or so of an evening. Now, Kraft is a rather rough-spoken man; but he has been a steady, careful reader. He knows as much about the real working of a Sugar Refinery as any man in the United States.

"A Sugar Refinery," replied the Cuban, for such the gentleman was who had asked the question. It is a large concern, I suppose it employs a good many hands?

KRAFT—That isn't by a good deal the largest house in the refining business, and yet there are a thousand men at work over there and in the next one belonging to it.

CUBAN—Do you work at the sugar refining?

KRAFT—Well, I guess I do. I've worked at it now over forty years. But that number of men over there is nothing to what are engaged in the work altogether, that is to say, the sugar men themselves and the men that work at the different trades that are kept going by it. It is a regular army of men.

CUBAN—About how many do you think work at the refining and the other trades that depend on it?

KRAFT—Well, I'm pretty sure there are not less than thirty-five or thirty six thousand.

CUBAN—How do you make that out?

KRAFT—Well, the tally would run about so:

Workmen, skilled and unskilled, engaged in refining--	10,000
Coopers-----	4,500
Stave trimmers, lumber cutters, hoop-makers in Michigan, Ohio, and Indiana-----	20,000
Machine makers, engineers, etc-----	2,000

But this does not include all the wagon-builders, carters, blacksmiths, masons, bricklayers, and all the other trades whose members make their living by the refineries. Counting these, I should think the number would pretty nearly reach *forty thousand men*.

CUBAN—Dear me! I had no idea that there were so many men engaged in the refining and trades belonging to it.

KRAFT—No, indeed? Surely you are not like the ordinary people, I hope, that think sugar comes to the country like tea or coffee quite ready to use.

These have hardly an idea of the immense extent of the business. Perhaps you yourself have no real idea of it. Do you think you could tell me how much sugar is refined every year in this country?

CUBAN—Well, I really could not. How much is it?

KRAFT—About *sixteen hundred millions of pounds*. You Cubans send us a good deal of it. You would be surprised, too, at some of the other figures in this business.

CUBAN—I should like to have a few.

KRAFT—Well, here are a few. The refining business takes every year of :

Bone Black.....	30,000,000 lbs.
Nails.....	18,000 kegs.
Staples.....	60 tons.
Staves and hoops for barrels.....	30,000 car loads.
Coal.....	300,000 tons.

So you see there are an immense number of bone-black makers in the West, miners in Pennsylvania, nail and staple makers, all depending on the refining business. I tell you, Sir, the people who buy our refined sugar and think that making it is as simple as plucking an apple off a tree make a tremendous mistake. By the way, sir, I beg your pardon, aint you a Cuban?

CUBAN—Yes, I am.

KRAFT—Then you must have seen in the papers what your countrymen are doing to take the bread out of the mouths of the *forty thousand men* who depend on the refining, not counting their wives and children, who would certainly amount to at least a *hundred thousand more*.

CUBAN—How can you make out that we are trying to take the bread out of your mouths? We don't interfere with you at all.

KRAFT—You don't, don't you? Well, I guess you do. Aint you Cubans trying to ruin the refiners by getting lies put into the papers about them, and so setting the people and Congress against them, so as to get your sugars in here at an advantage over us, and thus shut up our works? And if you cripple the refining, don't you turn us into the street, and take the bread out of our mouths? To be sure you do!

CUBAN—But, in the name of goodness what lies have we been telling about you?

KRAFT—I am glad you are so innocent, sir; but surely you must have heard all the talk there has been for the last year about adulteration and frauds on the revenue by the importers and refiners?

CUBAN—Ah, you mean that, do you? Why, certainly I have. It seems pretty clear there has been something of the sort. You must know that it is only a few days ago since the papers published a list of refiners who had been driven out of the business by the competition of the men who adulterate and commit frauds, simply because they would not share in their practices, and were so undersold.

KRAFT—Oh, that talk. Why, to be sure I've heard it. And if you will allow me, I'd like to say a word or two to you about it. But before I say anything about that, I want to tell you there is one thing these people say that really makes me laugh.

CUBAN—What is that?

KRAFT—Why, because we don't want you to take the bread out of our mouths, you cry out in the newspapers: the refiners are *protectionists*, they could not exist without *protection*; do away with that, and we will give you sugar better and cheaper than you get it from them.

CUBAN—Well, is not that the truth? Are not the refiners all in favor of a protective tariff?

LUDWIG—Stuff and nonsense! If the government could do without the \$35,000,000 it gets from sugar, and abolished the duty on sugar to-morrow, the refiners would be the first to clap their hands with joy. *They want no protection at all.* But if there must be a duty, they don't want you Cubans to have an advantage of from 50 to 100 per cent. over the American refiners. They hold that the American has a right to ask the government to *protect the working-man*, by helping to employ every hand and arm that can be employed in the country. They ask the government to regulate the tariff so that they may bring the raw sugars here and give *constant employment* to that labor. They ask the government not to give you such an advantage as would make it impossible for them to import the low grade raw sugars, and thus destroy the labor of 40,000 men, with perhaps 100,000 women and children dependent upon them. If we Americans asked Spain to do for us what you want America to do for you, Spain and you would laugh in our faces, and you would be quite right.

CUBAN—Well, I don't know so much about that, but how about the refiners who have been driven out of the business?

LUDWIG—I showed you what a great army of working people depended on the refining for a living. We soon got wind of what was up and what you were doing. So finding out what your game was, we got pretty savage, I can tell you. Even if all your side said had been true, it would be bad enough for a hundred and forty thousand people to lose their bread. But it makes the matter a thousand times worse when you Cubans, and some soreheaded importers are trying to ruin our business by wholesale lying.

CUBAN—I should like to see you prove the lying part of it.

LUDWIG—Well, then, I'll begin with the men who say they have been driven out of the business by the refiners we men work for. "I have been in this business forty years," said the aged Kraft, with a proud look, "so I must have been working at it a year or two before you got your first lump of sugar to suck, and a good many before you were breeched, and I am going to tell you something perhaps you don't know. *The men who you say have been driven out of the business, drove themselves out of it.*"

Old Kraft laid particular stress on this last sentence.

"Why, good gracious, how can you say that?" said the stranger.

"I can say it, because I know it's true. Every one of these men, *if he told the truth*, would say I was right. And I'll show you why I'm right, if you'll wait a minute. Suppose I was a refiner instead of being a workman; I make, say, ten per cent. on my outlay the first five years. If I've put a million into my business, my profits at the end of five years are \$500,000. If I'm prudent, I look out for bad times, and I make that what they call a reserve for my *sugar* business, but not for *any other* business. Then, if a pinch comes, I can fall back on that half million, and it will feel good and soft to fall back on.

"But"—said the stranger.

"Hold on, my friend," said the bright old man, warming up, "I'll let you do all the talking you like in a minute or two, and you never saw a church full o' people sit as quiet during an hour-and-a-half sermon as I'll sit listening to you. Well, I was saying if I keep my half million of profits for my *sugar* business, it will be a good stand-by if I get into a corner. But if, instead of putting it where I can reach it *any time* for my sugar business, I venture it in a silver mine in Utah, or in a beautiful bonanza spec, or in a railway that don't yet exist, or in real estate—if I go on making profits in my *sugar* business, all right; but if I make losses, all wrong. Then I want my half million, don't I? Well, if the silver mine don't pay, or is a fraud, I can sing 'Whoa, Emma,' but I can't get that money to save my *sugar* business. Just the same, if the lovely bonanza, or the railway, or the real estate, don't turn out right so as to let me get my money back without a loss. And if I get advice of some good-natured broker (who'll help me in the matter for a trifle), and try a big stroke in Wall street with my half million, some strict church-going Wall street sharks may be around, they get on the scent, they give me and my stock a tumble, and the next Sunday they look extra pious with my half million in their pocket, and I'm less resigned to the will of the Lord without it. But it's *gone forever* from my *sugar* business. Then if my business needs that half million, and there's a hole that that half million *ought* to fill up, and I haven't got it, and I can't borrow it, my first capital has got to go into that hole, and I go into it too. Have I got any right then to cry out that I've been *driven out* of the business? Yes; I've got a right to say I've been kicked out or dumped out, if I like, *but then I must say I kicked or dumped myself* out. I've no right to say that the men who kept their business profits to meet the strain of falling markets or any other hard strain drove me out. If I say they did, I lie, and I know I lie, and that's all about that."

"That's all very good, my worthy old friend," said the stranger, "but I have never seen it stated anywhere that the refiners who have left the business these last years were forced out of it by the failure of any outside ventures such as you talk of."

The old sugar man laughed.

"I beg your pardon, sir, for laughing," he said (stretching out his hand for a well colored clay pipe which lay on the table, leisurely filling it with Durham, and lighting it); "but that sounded to me real innocent. Of course if a man's got a chance of making people think he's a martyr, he's not going to *prove* to everybody that he's an ass. Not likely! It is more consoling to a man who has thrown his chances away to hear people call him the victim of a monopoly than to see them point at him as a fool."

"But, do you think," said the sallow looking man, "that you could actually point out any such men among the refiners who have gone out of business within the last seven years?"

"Yes, I certainly could," replied old Kraft, "and they could not deny the truth of what I said. But there would be a better way of proving it than through me. When a man bursts up, he chooses an assignee. This gentleman can tell how the money has gone. Inquire in New York who have been

the assignees for the '*poor victims*' who say they have been driven out of the refining business, and ask them what drove these *victims* out; they will tell you that not one single refiner or refining company, who *kept pace with modern improved methods of refining, and supplied the public with what the public wanted*, was ever driven out of the business by any competition whatever. They will tell you it came from other causes."

"But how could honest refiners compete with dishonest ones, who adulterated their sugars and were thus able to undersell the honest refiners and drive them out of business?" asked the olive-tinted man.

"Have you any more time to spare?" said old Ludwig.

"I'll make time, for you talk clear and straight," said the Cuban, lighting another cigar, "and although I may think you are in the wrong, still I believe you are honest and want to hear all you have to say."

"Well then," quoth Ludwig, "I can't ride two horses at the same time with one saddle. I'm riding '*Driven-out-of-the-Business*' at present. He's fearful rickety, and your party have made him a very strong horse. I'll show you what a darned old roarer he is—I'll ride him 'till he'll want to walk, walk him to a standstill, and then you'll see him lie down. Then try and get him on his legs again if you can. Then I'll trot out his stable companion '*Adulleration*' (next best favorite to "*Fraud*" with the Cuban party) and I'll show you the worst splintered, spavined old knacker you ever clapped eyes on."

The serious, sallow-faced man could not restrain a laugh at the old man's odd way of saying things. "Go on," said the Cuban, "keep your seat on '*Driven-out-of-the-Business*,' but you must let me use the whip, and then take care he doesn't throw you over his head!"

"He never had a kick in him," replied old Ludwig; "but you let me go on, and if you want to know anything I don't touch, you just say so, that's all."

"Well," said the olive man, "do you know any that have left the business for other causes?"

"Yes; I know at least one big firm that's gone out because they put nearly all the money they had in bricks and mortar and machinery. Then they had to get sugar to refine. As long as the importers would let them have raw sugar to refine and give them four months' credit, they had time to sell their refined sugar, get their money for it, and pay the importers for the raw stuff. So long things went all right. But as soon as the importers and the banks refused to give them credit, they couldn't get their raw sugars, and they were like a tailor without cloth: he might have needles, thread, shears, etc., but without cloth he couldn't make any clothes. So they couldn't refine sugar without the sugar to refine, and out they went."

"But if they were paying straight along why wouldn't the importers and banks give them credit?" asked the Cuban, whose curiosity was now thoroughly aroused.

"Ah! now we're getting to the milk in the cocoanut," said old Kraft, his bright gray eye fixed full on that of the Cuban, "did ever you hear of the monkey that set a trap for the cat?"

"No," replied the olive man.

"It's a short story," said Ludwig. "The cat had been in the house many

a year, and the monkey was a new comer. He got jealous because Puss was a favorite. So he thought that if he killed the old gray parrot the cat would be blamed for it and drowned. One night, therefore, he sneaked up to Polly's cage and gently put in his paw. No sooner had it touched Polly than she seized it in one of her powerful claws, set up a squawk that brought the whole house in, and Mr Monkey was knocked on the head. He had to go out of business at once. In fact, he *drove himself out*."

"Now let us hear you apply your fable," said the Cuban.

"Nothing simpler in the world. One fine morning some of the largest of the refiners found out that others, jealous of them, and wishing to force them to the wall, had been around spreading the report that they were on the point of bankruptcy. This immediately affected their credit to such an extent that the importers and the bankers would no longer take their notes. As the refiners who were attacked in this mean, unmanly fashion were men of plenty of reserve capital, they simply had to fall back upon that and suffered very little inconvenience. But the importers and bankers said to them-selves, 'Well, if the notes of the strongest firms in the business are not safe, certainly the notes of the weakest firms must be a good deal *less safe*. So they refused right out to take their paper at all, and as these men had no sufficient reserve to fall back upon, they went to the wall instead of the men they wanted to ruin. I was the old story of the biter bit, or the cat and the monkey. Who drove these men out of the business, I should like to know?'"

"Why, if that is the case, they certainly drove themselves out. But you don't mean to tell me that there are men in New York who tried any such assassin-like work on men simply engaged in honorable competition with them?"

"I do mean to say so, and these very men are quite as well aware of it as I am to-day," said Ludwig, knocking the ashes out of his pipe, "and the importers and bankers to whom the reports were made are well aware of it, and are glad to-day to have the business of the intended victims, and the men whom they wanted to ruin are of course well aware of it. Do scoundrels like these think that when they have missed their mark, that any one is going to walk about hugging their miserable secret for them? Not a bit of it. All that kind of thing is well known to every importer, banker and refiner in New York. I could mention the names to you, and the men I would and will name dare not deny the truth of what I say; too many can prove it."

Here Ludwig excused himself to me for whispering in company, leaned forward, and said a few words to the Cuban, whose eyes at once looked as if they would start out of their sockets.

"My God!" said he in the greatest amazement, "can those really be the men you were speaking of?"

"Those are the very men," said Papa Ludwig, dryly. "I told you your horse 'Driven-out-of-the Business' was only a poor devil of a thing after all. If ever these men want to mount him again tell them to stretch a good stout band under him, and get on him in his stall for their own fun (for after all they must, *among themselves*, think these charges a good joke—really good liars enjoy one another), but don't let them bring him out in public and put a man on him that knows what a horse is; if they do he will break down deader than the devil, and everybody will laugh at them."

CUBAN—Does that end all you have to say on this point ?

LUDWIG—No; I have kept a good morsel for the last, so that these soreheaded refiners and their Cuban backers may keep the taste of it in their mouth. I suppose you will allow that I have a right to buy what I like as long as I can and will pay for it ?

CUBAN—Why, certainly, that is as clear as daylight.

LUDWIG—Well, suppose I am a bootmaker, and you want a pair of strong calf-skin boots, and I tell you I will make you nothing but a pair of fine French kid? What would you do?

CUBAN—I would call you a fool, and go somewhere else to buy my boots.

LUDWIG—And if I were a butcher, and you wanted beef and I insisted on your taking lamb, what would you do then?

CUBAN—Why, I'd let you go hang yourself, and go where I could get what I wanted for my money.

LUDWIG—Now, suppose I were a refiner, and you wanted *soft* sugars at about six or seven cents a pound, and I told you that I only made *hard white* sugars at eight and a half or nine cents a pound, and that I wouldn't make any other what would you say to me?

CUBAN—I would tell you to go to the devil, and would go where I could get the yellow sugars I wanted.

LUDWIG—Well, that is just the case with some of these soreheaded refiners. Ten years ago, sixty per cent. of all the sugar consumed in the country was *hard white* sugar. Since then the public has felt the hard times, and wants cheaper sugars, and now not more than about one-twelfth of all the sugar consumed is *hard white*; the rest runs into the various grades of cheaper *soft* sugars. The people wanted these sugars and *would have them*. Sensible refiners at once got ready to meet the altered circumstances and demand of the public. They altered their refineries, sometimes at a cost greater than that of the original building, and they produced just what the people wanted. Some of the present soreheads paid no attention to what the people wanted; they went on producing nothing but hard white sugars. As the consumption of these fell off fifty per cent., these stubborn gentlemen were without a market for a large share of the sugar they were producing, and they had to sell it at a loss. It was simply a matter of time how long they could stand it. At last they had to go out of business, just like the bootmaker or the butcher would, of whom I spoke a minute ago. And now because their own fault has landed them where they are, they raise a cry and say they have been driven out of the business. So they have, but they have been *driven out by themselves*.

Now if you like we'll trot out the nag 'Adulteration.'

"I should like to go on," said the Cuban, "but my time is up now, and I must go and see my friend the editor of the '*Drone*.' I'll hear what he has to say in answer to what you have said here to-night."

"You need not give yourself any trouble with him," said Papa Ludwig; "he knows as much about the sugar question as a cow does about ironing shirt bosoms. That poor devil only prints what he is paid for. However, ask him if you like, and when you're passing by, if you feel like talking sugar, we'll go at it again."

ADULTERATION.

We saw nothing of our Cuban friend for several days, and were about giving him up, when one Thursday evening, about the same time, he stopped at the door.

"Hallo!" said Papa Ludwig, in his blunt way, "here we are again."

"Yes," said the Cuban; "and since we last saw each other I have been talking to a well-informed friend who tells me that many refiners have gone out of the business because they would not adulterate their sugars, and they could not sell as low as those who did, and, therefore, could not compete with them. Besides this, he is informed that there are great frauds committed in the weighing and sampling of sugars, and thus the dishonest refiners are able to undersell the honest ones."

"And this is one of the reasons, is it," said Ludwig slyly, "why you Cubans and the discontented importers want to protect the government?"

"Certainly; the revenue will be more easily and surely collected by what we propose, and the people will get unadulterated sugars cheaper than they can now."

"Why, really," said the old man, "it is almost too kind of the Cuban planters and their friends to protect the American government and people like this. Only, I never heard the government or the people say they wanted to be protected. I suppose it is the stupid notion they've got that they are smart enough to take care of their own business, that has prevented them from asking the Cubans to come here, and collect the sugar duty. Well, it is real kind of the Cubans all the same. And I suppose the Cubans and their friends don't expect to make any money by the job, do they?"

The Cuban passed this cutting little speech by unnoticed, but lighted a cigarette, and said, "Well, my friend, you tell me you have been in the refining work forty years, now I should like to hear what you have to say about the adulteration of sugars."

"Certainly, certainly," said Ludwig, lighting his pipe; "if you people are going to protect Americans against adulteration, I've no doubt the Americans would like to know what this adulteration is, and I say the whole story is a damned lie from beginning to end."

[Unfortunately the old man let slip this awkward word, but some little allowance must be made for his feelings, which are easily roused on this point.]

"Have these men told you any of the ways in which they say sugar is adulterated?"

CUBAN—Yes; they say it is adulterated with glucose and tin. They maintain that glucose, taken in any considerable quantities, is bad for the kidneys, and of course tin must be destructive to the stomach.

LUDWIG—Well, the ground is laid out clear in what you say, so for a minute

or two we can put the glucose and tin on the shelf, and I'll take them down and handle them for you when the time comes. Just now I want to say a word about the refiners who say they would not adulterate, and have gone out and left the field to the men who do adulterate.

CUBAN—Well, what have you got to say about them?

LUDWIG—Let me ask you; do you think that men with large sums of money in the sugar refining would have gone out of the business, and lost their money without trying to save themselves by exposing the adulterators? Do they want the public to believe that all the refiners at present in business are rogues, and that they have quietly let the rogues ruin them, and had no way of preventing it?

CUBAN—How could they have prevented it?

LUDWIG—By exposing the adulteration, to be sure. Do you think I would let any man run me out of business by selling an adulterated article cheaper than I sold my unadulterated one? Not much! Would you? If you did, you must allow me to say you would be a fool, that is all. And you can bet on it, these refiners were not so foolish as all that! If you want to know how they could find out whether the sugars were adulterated or not, I say that there's the Board of Health expressly there for such purposes. Didn't they catch the swill-milk men? And couldn't they catch the sugar refiners quite as easily? Why do men talk such nonsense? What does the government do with the export sugar for which the refiners get the drawback (*i. e.* the import duty paid on the raw article)? Why it simply takes sample of all the sugar exported, and if it thought the refiners were selling anything but sugar made (as the law says, and as they are obliged to swear) "*wholly* from imported raw sugars which have paid duty," it would just get them analyzed, and woe betide the refiner who was caught taking the drawback for adulterated sugar!

CUBAN—Well, that's good as far as the exported sugar goes, but how about the sugar consumed in the country?

LUDWIG—All I've got to say is this: There is no use higgie-haggling about the matter. Let these fellows either prove the adulteration or shut up. They can do that at once if it exists. Let them send samples to the Board of Health; they will be analyzed. If there is any adulteration the Board of Health will be down on the refiners just as they were on the swill-milk men. The Board of Health is there to protect the public health. That's the way to talk. Besides, the refiners have sworn and are ready to swear any day that they do not adulterate their sugars. They put a warranty in each barrel they send out. We men know they tell the truth, because we make the sugar, but, Heavens! how much more proof do you people want?

CUBAN—Have you any other proof of what you say?

LUDWIG—Certainly; why here's what Professor Chandler, the President of the Board of Health, says—of course you know that he is one of the greatest chemists in the country: "*The adulteration of refined sugar and syrup has often been alleged.* The idea is very prevalent that marble-dust is added to powdered sugar, and that poisonous metals are used in the refineries and left in the sugars. *There is no foundation whatever for this belief.* The writer has examined a great number and variety of sugars sold at retail in New York, and has never found an adulterated or

uncholesterous specimen. A similar idea is entertained with regard to syrup. The only foundation for this is the fact that (1) one or two houses prepare a syrup by combining sugar-house molasses with glucose syrup prepared from Indian corn, which is *entirely harmless*; and (2) some refiners have used *minute* quantities of a tin salt and free acid to improve the color of syrup, but the quantities employed were *too small to give any cause for alarm*. (3) The fact that the coffee sugars and yellow sugars and the syrup often produce an inky color with tea has been supposed by many to indicate adulteration. But this is due to the presence of a very small quantity of iron, which is dissolved by the sugar solutions from the tanks, blow-ups and tubes of the factory or refinery, and *is entirely unobjectionable, perhaps useful.*"

Well now, one would think that ought to be enough to shut the mouths of these slanderers. Why the sugars are so good, and their color is so clear and fine, that even the grocers don't seem to be able to get anything to adulterate them with before they retail them.

CUBAN—That evidence is very strong, indeed it is quite striking. I must say I thought there was more ground for these charges.

LUDWIG—Well, I should think it was striking.

CUBAN—So far so good; but how about the adulteration of sugars with *glucose*?

LUDWIG—Just so. That's the word these men have been trying to frighten the people with. I could terrify them if I said that sugar was adulterated with hokey-pokey-winkey-wum. You can frighten them with anything. The public in such matters is nothing but a great big baby. This terrible glucose is simply a sweet extract made from corn or potatoes or anything that contains it, just as corn starch is, or sago, or macaroni or vermicelli. It is just as harmless as flour or potatoes, or one of my old woman's curtain lectures about lager and kummel. The only question about glucose, as far as sugar goes, is one of fact. Do the refiners use it in making their sugars or do they not? They say they do not. They are ready to swear they do not. They are, as I said, sending out with every barrel of their sugars a warranty that no adulterating substance *whatever* is used in refining them. And I should think this is enough against the unsupported say-so of men whose known and avowed object is to ruin the refiners and throw all us men out of work.

CUBAN—That is a fair, square argument; but, now then, how about the adulteration of refined sugars with tin?

LUDWIG—Ha! ha! ha! So you've got a tin-lined stomach, have you? How does it feel? A wee bit cold, doesn't it, when it's freezing? It must work a little stiff too, when you stoop to tie your shoes? Ha, ha! But then it must be good another way. You won't have any more gripes. I suppose you believers in this tin business don't ask one another any longer, how's your health? but, 'Well, old boy, how's your kettle, or, how's your frying-pan?'

CUBAN—The joke is good enough, but I've read the evidence given before the Sub-Committee of Ways and Means by a gentleman who said most distinctly that tin is used to adulterate sugar.

LUDWIG—Well, perhaps he owns the tin process, and he certainly ought to know whether his firm used tin or not. But then the question is, how they and other refiners used it, and in what quantities and for what purpose. I

must say I was really astonished at his evidence. It reads just as if tin was put into sugar to make it weigh more. And I have no doubt a good many innocent people really think that is so. But just listen to me for a minute and you'll see how nicely we will take the tin coating off his stomach, and the tin off his brain, too, for his evidence shows he's got tin on the brain. Just for a joke I asked Dr. Pestel, round the corner, how he'd call the disease if a man's brain was inflamed with tin. He said it would be called this [Ludwig hands the Cuban a slip of paper].

CUBAN—(reading) *Cerebral Cassiteritis*—That is a pretty good name for the disease too. Well, I suppose if he has a tin stomach and tin on the brain, one must at least allow that he is always on his metal.

LUDWIG—(who does not see the joke) Well, there is only just this little difficulty about adulterating sugar with tin, that tin costs about *three times as much per pound* as ordinary refined sugar, and more than twice as much as the best hard white refined sugar. Do you know what would be the case if sugar was adulterated with tin?

CUBAN—What?

LUDWIG—Why the metal brokers would at once buy up every pound of refined sugar in the market, and get the tin out of it. They would get three times as much per pound as they were paying for it. They would hug the life out of the refiners from sheer gratitude, and when the refiners had bought tin at 24 cents a pound, and sold it long enough at seven or eight cents in their sugar, they'd cry Whoa! Emma! make a bow to the public, and go into the metal business themselves to get back their money, Oh! yes, this tin business would be mighty profitable!

(Here the Cuban had to laugh in spite of himself. The argument was simply unanswerable, and the way it was put irresistible.)

CUBAN—But seriously, don't the refiners use tin in some way in their sugars?

LUDWIG—Certainly not; nor ever did in their sugars. Some years ago, as you read in Chandler's statement, they used a very minute and harmless quantity of a salt of tin to clear syrup and give it that very light color the people liked so much, but it was never used at all in the refining of sugars. And I know of my own knowledge, that for the last ten or eleven years it hasn't been used even for clearing syrup in the biggest refineries in this country. Tanners use a certain quantity of vitriol in tanning their leather. That doesn't make me afraid that the tanned leather will burn my feet off. People actually take chemical forms of iron to improve the blood. That does not make them afraid that some fine morning they'll wake up and find themselves turned into gas mains. This charge, besides being false, as far as *sugar* is concerned, is altogether too ridiculous. People are not all idiots, and he seemed to forget this.

CUBAN—I suppose that's all you have to say about the adulteration question, isn't it?

LUDWIG—Your Cuban people who pull the wires, and make these men in New York talk, got them to tell the people of the United States that they were being cheated and poisoned by the adulteration of sugars. Consequently the Cubans kindly offered pure, unadulterated sugars—if the government would

make the duty on all sugars up to No. 16, two and a half cents a pound. By this you Cubans and your party here said you were going to save the stomachs of the people. We will see later what is hidden under this great kindness *that nobody wants*. But you must let me say this. Your reason for making the offer was that the refiners' sugars are adulterated. Let me talk plain. I have proved this charge of adulteration to be a point blank lie. I say now the men who made that charge against the great refiners, *without their names* (in whatever way they got it into the press), knew that charge was a lie when they made it: I say they framed that lie so as to influence the American people and through them the United States' Congress. I have *proved* that charge to be a lie. When you dig the foundation from under a building, the building comes down. Your *adulteration* foundation is gone, and the building on it, the tin stomach affair, and the glucose nonsense, is smashed to pieces. So as the people were neither being cheated nor poisoned, *and your Cuban party knew this*, when the lie was set going, this could not have been the reason of your most *unselfish, generous* offer. I think before we finish we shall find out what that reason is. When the people of the United States come to know the *real* reason, I don't think you'll find them in quite so good a temper with your Cuban party as they would like; however time will tell.

The Cuban muttered a few words in Spanish, lighted a cigarette, bade Ludwig a curt good night, and was soon out of sight.

THE GREAT FRAUD QUESTION.

Kraft was afraid that his Cuban friend would not come any more. And, indeed, more than a week elapsed from the time of their last conversation before he again put in an appearance. At last he came one evening earlier than usual, and, after a pleasant greeting, said to Kraft.

CUBAN—I must say I was a good deal annoyed when I went, in New York, to the men who had talked so much about adulteration to me, to find that they could not prove what they said. I mentioned the names of all the great sugar refining firms, one after the other, and asked them whether they dared accuse either of those firms *singly* and *specifically* with adulterating their sugars. This they would not do, but still said that they were sure adulteration must be carried on. Of course charges like that amount to nothing.

LUDWIG—Then don't you think the men who are constantly making them in the newspapers, under such names as "Sugar," "Treacle," "Molasses" and what not, are a pack of arrant cowards and tricky knaves?

CUBAN—Yes, I do ! but really the question of adulteration doesn't concern us ; it is a family fight.

LUDWIG—That's pretty good ! It doesn't concern you. Oh, yes, it does. Your party are backing up the cry as hard as they can for their own ends, which we talked over the last time you were here. Any cry, true or false, is good enough for them if it only serves their purpose. However, I think I settled the charge itself with you last time, and I need not say anything more about it. But only just let them come into the daylight like men, and make their charges in their own name, against any one—any number of refiners *by name*—and they'll soon find out to their cost whether or not their refined sugars are adulterated.

CUBAN—Well, enough about that. Now comes perhaps the biggest question of the lot, namely that of Fraud. You know that it was stated in evidence that great frauds were committed upon the Treasury in the importation of raw sugars. This was stated by Cuban planters and their agents, who said that as long as the present system of levying duty according to the color of sugars existed, it would be impossible for the government to properly collect the duty upon them. They say that it would end the difficulty if the government would tax all sugars (up to grade No. 16) at the uniform rate of *two and a half* cents per pound. Then the customs officers would simply have to weigh the sugar, and there would be an end of the difficulty.

LUDWIG—If, as you say, this is the biggest question of the lot (although I don't think so myself), we will set about it so as not to leave one bit of it untouched. When you see the hands of a watch move, and you want to know what moves them, you take the watch to pieces, bit by bit ; you see how one wheel acts on another, how the chain and the main-spring act on the wheels,

and at last you come to a part of the works, and you can say "this is what moves those hands." That is how we will set about this fraud question. This gentleman here says he is going to have our talk printed. Well, when it is I want to hear as soon as possible from the croakers who have been crying fraud, fraud !

CUBAN—Your idea is a good one. Where would you begin.

LUDWIG—I would first clear the ground, so as to know exactly what the fight was going to turn upon. If these people that cry fraud mean frauds that *may* have taken place *years ago*, I say there is no use talking about them *now*. If necessary, I am able to take that up too. If these men are aware of *past* frauds, there is nothing more simple than to give their evidence to the Secretary of the Treasury ; if that evidence is true, Mr. Sherman will make the defrauders dance to their music. It is not too late for that kind of sport. But if they want to change the *present* tariff, because of frauds which they say it is impossible or very difficult for the government to detect, they must not go back five, ten or twenty years to look for frauds ; they must prove them to be *actual, present* frauds, from which the United States Treasury is *now* suffering, and they must make out a clear case that under the *present* system it is next to impossible or highly difficult for the government to detect or to prevent these frauds. That's the real business-like way of setting to work, and I should like to hear what your side have to say about it.

CUBAN—They say that the present system of taxing sugars renders it easy for importers and for those refiners who import some of their own sugars to defraud the revenue.

LUDWIG—The people who say this are the sorehead refiners (the poor, dear driven-out-of-the-business men) and some importers who are agents for Cuban houses. Let me ask you a fair question. Do you think that if the refiners had never imported a cargo of sugar *themselves directly*, but had *bought all their sugars from these middlemen or importers*, you would ever have heard a word about fraud from any importer in New York ?

CUBAN—No, I do not think we should.

LUDWIG—You bear that question I have just asked you in your mind. I shall have something to say about that by-and-by. That is one of the springs of the watch, the hands of which point to the only two figures on the face—*refiners* and *fraud*. Your party made the watch, and shouted out to the public to come and take their *sugar* time from it. I'm going to pull it to pieces for you, and show you the springs. Now if frauds are committed, they can't commit themselves, like the drunken police justice did, they must be committed by some person or persons. Can your party lay their hand on any refiner or refiners and say: "On such a day this man or these men defrauded the government in the duty paid on such a cargo, by such a vessel, in such and such a way ?"

CUBAN—No they don't pretend exactly to do that, but they do say that the government can be, and is, defrauded in the sampling and weighing of sugars.

LUDWIG—Of course that can only happen in the case of sugars imported by the refiners whom they attack ; there can't be any chance of such frauds in the case of the sugars these men import themselves.

CUBAN—I suppose it can and does happen in the case of all imported sugars.

LUDWIG—Then these men must be as guilty as the men they accuse. And do you think I or any other man am simple enough to believe the government is going to let that happen and not find it out? Let us take the sampling first.

CUBAN—Well, it is certainly difficult to tell exactly what a cargo of sugars is by sampling, especially in hogsheads. Sometimes there are three different colors in one hogshead, and it is almost impossible to sample it so as to get the *average* color.

LUDWIG—Well, even supposing it is difficult, the government doesn't leave the sampling to the refiners. The government doesn't complain about the difficulty. It gets \$35,000,000 a year out of sugar duties, and can well afford to pay men well posted in the business to do the work. But I deny that it is anything like as difficult as your party state. I can find plenty of men in the sugar business who can tell the duty a sugar ought to pay, by looking at an invoice very nearly as well as the government samplers with all the trouble they take. So it can't be so difficult a job after all.

CUBAN—But the sampler can take foots (the bottom sugar in a hogshead, discolored by the infiltration of the syrup from the top and middle of the hogshead) and give that as the average sample of the cargo.

LUDWIG—Certainly; isn't it beautifully simple. And it is just as beautifully simple that one-tenth of the whole cargo must remain in the charge of the government just as long as the government chooses, and that it can be sampled over and over again at any time the government thinks proper. It is just as beautifully simple that the samples have to be exposed in a public room in the Custom House, open to every importer and merchant in the city; that the classification of the sugar has to be placed upon it with the date of importation, the name of the vessel, name of the consignee, and the name of the sampler, etc. Do you think that with the sampler's *classification* of that sugar under their eyes, and one-tenth of the cargo open to the authorities to re-sample, they could not at once detect fraud in the sampler? The idea is absurd.

CUBAN—Why is it absurd?

LUDWIG—You were reading to me the evidence given before the Subcommittee. If you have read the sworn evidence of the Appraiser of the Port of New York you need not have asked your question. Why, the sampler is under examiners who scrutinize his sampling; his name is put in the public room (open to everybody) on every sugar he has sampled. Competition is too keen in the business for one merchant or importer to allow another to get an unfair advantage of him. Any sampler who did what you suppose could not hold his position a week. Besides, what would be the object of his sampling wrong?

CUBAN—He might be bribed.

LUDWIG—Oh, yes, very likely. As the samplers are continually changed round, the bribing importer or refiner would have to *stand in* with *all* the samplers. Now these men know that competing and hostile firms, like those of your party would pay *ten* times as much for the information of such bribery as any importer or refiner would give them to undersample sugar. Do you imagine that, outside the question of personal honor, any great firm, with millions invested in the business are going to be such geese as to put themselves

into the power of a mere sampler? The idea is altogether too thin. Any one that wants to convince himself of the nonsense of these statements has only to read Silas B. Dutcher's sworn testimony before the Sub-Committee of Ways and Means. If that won't settle the question for him, nothing in the world will. Have you read it?

CUBAN—Not all.

LUDWIG—Then let me recommend you to read it carefully, and you will see what a tough job any importer or refiner would have who tried to defraud the revenue in the sampling. Here are specimens of the testimony.

CHAIRMAN—Have you thought it strange that notwithstanding these public statements of fraud, &c., that your attention had not been called, you being the official in charge of sugar, to *specific* cases?

MR. DUTCHER—Yes, sir. I have thought it strange, because I thought that if there was any large measure of fraud, there would be specific cases they would call to attention.

CHAIRMAN—What foundation is there for these constant and frequent accusations involving the reputation of pretty much all the sugar importation interest of New York?

MR. DUTCHER—There is none.

Q. Do you feel that you are in a position officially to judge as to the evasions of the tariff whether there is any more of it in sugars than in anything else?

A. I don't believe there is.

Q. Do you think there is any difference between the difficulties of ascertaining foreign valuations which you have upon gloves and upon silks and upon articles that pay an ad valorem duty; do you think that there is any more difficulty with the present mode of determining duties upon sugar in getting accuracy about it, than upon these three articles that I have mentioned?

A. No, sir; I do not. Possibly there should be one qualification there with regard to sugars of very high quality that are low in color—sugars of high grade as to quality, but made low in color—in other words these sugars that are charged as being artificially colored—there might come in a question which would involve a discussion of that question. That is in proportion to the value of the sugar, the equities of the case, or the duty is not properly a duty according to value, it is far from an ad valorem duty. Of course the duty is specific, so many cents a pound, but a pound of sugar of high grade, of real intrinsic value, showing a high degree of saccharine matter, will come in at the same rate of duty as the low grade of sugar showing a much less degree of saccharine matter.

LUDWIG—I should think such a statement as that, taken with what I have said before, would be nearly sufficient for everybody. If not, so much the worse for their brains. But I repeat again, these gentlemen need not be anxious about the government; it is quite able to look after the revenue without them; it is perfectly satisfied with the way the system works. I say again that if the refiners had never imported a cargo of sugar *direct* themselves, but had taken it from the importers, there would never have been a single word about frauds from the importers, and everything would have worked as smooth as a glove. Now your Cuban friends ought to have looked at home before they began to throw stones. They are about the only men who are defrauding the revenue. They are coloring down their high grade sugars with caramel, and getting them in at a low rate of duty, and are the only men who are doing anything of the sort. And it is precisely to you Cubans who are doing this sort of thing that Mr. Dutcher refers in that last statement of his. Then there is another nice little point you Cubans have kept out of sight. You want all sugars up to No. 16 taxed $2\frac{1}{2}$ cents per pound. Beyond No. 16 you are willing to have them taxed 5 cents per pound. As the duty stands now, even if I succeed in passing a No. 10 as a No. 7, or a No. 13 as a No. 10, the government can only lose 30 cents per 100 pounds. But it you Cubans have a

duty of \$2.50 per 100 pounds up to No. 16, and make No. 17 and upwards pay \$5 per 100 pounds; by passing a No. 17 as a No. 16 you cheat the government out of \$2.50, that is 30 cents eight times over, or 800 per cent. more than any one can defraud it now. Now it would be impossible to get a No. 10 sampled and classified as a No. 7—the difference in color is too great,—but it would be easy to get a No. 17 sampled and classified as a No. 16. So your tariff would not only enable you to cheat the government out of *eight times as much* as any one could (to suppose the impossible) defraud it of now, but it would enable you to do it much more easily. But then you Cubans are such *good boys* that you would never take advantage of such a gaping, wide-open door, to walk into the United States Treasury and help yourselves. Oh! dear me, no! Not at all!

[Here I regret to say old Ludwig made an extraordinary grimace, by shutting his left eye, drawing his chin round almost under his left ear, and placing the tip of his forefinger against the right side of his nose in a most significant manner.]

The Cuban didn't seem to like the *complexion* the argument was taking, and at once jumped into the scales.

CUBAN—And how about the weighing?

LUDWIG—There is no use talking about that. Your party know that whatever the tariff is, that sugar will have to be weighed just as it is now. They can make no point upon this, so they don't attempt to. If the government can't do such a simple thing as look after its weighers, it is time for it to give up business. Now let me overhaul what we have been saying. The Cuban party want the government to change the tariff: first, because they say there are great sugar frauds. This I have proved to be false. Second, because it is difficult to sample the sugars. This objection I have proved childish. And having proved so much, I now say that the Cuban party and their friends in New York must have had *some other reason* for wanting the tariff changed. It would be simple impudence of them to say to the government: Change your laws, because you are being cheated. That would be like saying: You are a big fool, you can't take care of your interests; set about the thing in our way. Oh, no! the real reason has yet to come why these good Cubans are so anxious for the welfare of the United States Treasury.

CUBAN—Well, so much for that; what else?

LUDWIG—You Cuban gentlemen think you are exceedingly smart. You get your stupid stories about glucose and tin and fraud put into the newspapers, but you don't give the press the *real* news, which would show what you are aiming at. Oh, no! that would not suit you. That is kept a dead secret; at least you think it is. But we workingmen have got our eyes and ears open. I have been waiting to see in your favorite papers your latest moves. But not one word. Well, I can tell you what you have been doing. You have formed a permanent organization to carry your scheme through Congress. You are working underhand like beavers. One of your head men said the other day that you were ready to spend a *quarter of a million* of dollars at once to carry through your scheme, *and its success would be very cheap to you at the money*. Then you have made so cock-sure that you are going to carry it, that you have already subscribed nearly

a million for the building of pioneer refineries in Cuba, as the alteration of the law, of which you are so sure, will give you the refining business and take it away from us. You buy the press right and left *wherever you can*, even to the miserable little "*Drone*" we have here. And now, sir, perhaps you would allow me to ask you a question or two. Of course this extra refining done in Cuba would make the Cuban planters a great deal richer?"

CUBAN—Yes; I suppose it would increase their incomes considerably.

LUDWIG—And a good many more men under them would find work and get good wages, wouldn't they?

CUBAN—I don't think it would alter the labor market in Cuba much.

LUDWIG—What! work representing \$17,000,000 a year not improve the labor market and give the men better wages? Why not?

CUBAN—Because all the work done on our plantations is done by slaves.

"By slaves!" echoed the old man. "Ah!" and drawing a long breath, he looked at the floor for a minute or two in silence. He then looked steadily into the eyes of the olive man, and said:

"Friend, do you know why the North fought that war from 1860 'till 1864 against her own flesh and blood, sacrificed half a million of men, and spent four thousand millions of dollars? Do you know why nearly every third or fourth family here in the North lost one, perhaps more, of its boys in that war? If you don't, I'll tell you. It was to kill slavery. And you Cubans and your New York agents think Congress is going to pass a law to take the bread out of the mouths of American citizens to enrich your Cuban slaveholders, without even doing any good to the poor wretches you drive on your plantations. Well, now, you just wait until Congress does that. When it does, you run up that million dollar refinery in Cuba, but until then just advise your friends not to buy the bricks!"

CUBAN—My good friend, I can't see any objection to our using slaves if we can get them.

LUDWIG—No, I suppose you can't, but we can; that's the difference; and your *slave* labor is not going to destroy our *free* labor, you can just bet your life on it. There is a good deal more to be said on this matter, but I think I have said enough to show you Cubans that we workingmen have got our eyes on you, and that you have a good deal more to tackle in this fight than a few refiners.

WHY THE CUBANS AND THEIR AGENTS, SOME NEW YORK IMPORTERS, WANT A UNIFORM DUTY OF 2½ CENTS PER POUND ON ALL SUGARS UP TO GRADE NO. 16 DUTCH STANDARD

Before giving this final conversation between Ludwig Kraft and the Cuban, it will be as well to give such explanations as will enable the reader fully to understand the matter in question.

1. All sugars are divided into grades; each grade being numbered thus: 7, 8, 10, 13 and so on.

2. All grades of sugar are distinguished one from the other by the lighter or darker *color* of the sugar. The *lighter* the *color* the *higher* the grade. The *darker* the *color* the lower the grade.

3. The standard of color adopted in the United States is that laid down by the Dutch (Holland) government, and issued by it. This standard of color is revised every two years.

4. Sugars are, therefore, classified as being such and such a No., *Dutch Standard*.

5. According to this Dutch Standard, the duties levied upon sugars are as follows: the supposed cost in Cuba and the percentage of that cost represented by the duty are also given.

	Cost in Cuba. Cents per Pound.	Duty. Cents per Pound.	Percentage of Value Represented by Duty.
Melado.....	2.75.....	1.87.....	.68 per cent.
No. 7.....	3.25.....	2.187.....	.63 " "
No. 10.....	3.75.....	2.50.....	.66 " "
No. 13.....	4.00.....	2.88.....	.70 " "

The above explanations and figures are given, because during the conversation both Kraft and the Cuban had the books from which they are taken.

KRAFT—Now, perhaps, my friend, you would state what your Cuban party and these importers want. But we must not have any talk about adulteration or fraud mixed up with this question. I think I have pretty well exploded that.

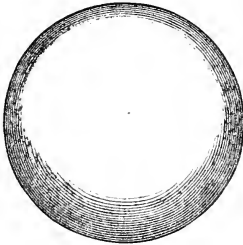
CUBAN—We want a uniform, or, if you choose, a specific duty of 2½ cents per pound on all grades of sugar up to No. 16 Dutch Standard, and we say that if the duty were so levied, that the people of the United States would get better sugar, and get it cheaper.

LUDWIG—Well, come, that is something like talk at last. I notice you don't say anything about the immense advantages this would at once give your half-

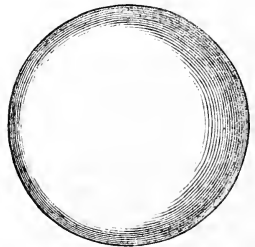
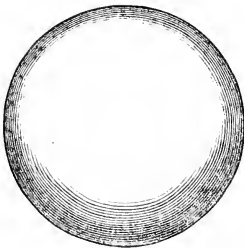
refined high grade sugars over the low grade raw sugars imported here. But I think we had better settle that first and then we will see how much better and cheaper the sugars would be (*that you would give the people*) than what they are getting now. Just look at the following table:

	Supposed Cost of Sugar at Place of Production.	Duty Paid.	Percentage of Value Absorbed by Duty.
No. 16.....	Per lb. $5\frac{1}{2}$ cents.....	$2\frac{1}{2}$ cents.....	$45\frac{1}{2}$ per cent.
No. 13.....	" " 4 ".....	$2\frac{1}{2}$ ".....	$62\frac{1}{2}$ " "
No. 10.....	" " $3\frac{1}{2}$ ".....	$2\frac{1}{2}$ ".....	66 " "
No. 7.....	" " $3\frac{1}{2}$ ".....	$2\frac{1}{2}$ ".....	77 " "
Melado ----	" " $2\frac{1}{2}$ ".....	$2\frac{1}{2}$ ".....	91 " "

You see from that table, that with a uniform duty of $2\frac{1}{2}$ cents for all sugar, your highest grade of sugar pays only $45\frac{1}{2}$ per cent. duty, and that the lowest grade imported here pays 91 per cent. Even if you make the duty uniform up to the 16th, the case is still the same. That is $45\frac{1}{2}$ per cent. against the poor man in favor of the rich, right from the start. Suppose the sugar and the duty to be represented by balls; the duty you pay on your Cuban sugar compared with the sugar itself would be a little ball, so:



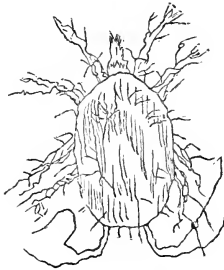
The duty paid on the lowest grade sugar imported by the refiners would be a ball nearly as big as the sugar itself, thus:



LUDWIG—It certainly is very kind of you to yourselves to ask for that advantage at the start.

CUBAN—But then our sugars can go to the table at once and won't need refining.

LUDWIG—Dear me, how considerate you are; Yes, I suppose some of them could. Your party and their New York agents are very tender about the people's stomachs. You do not want them to eat our *refined* sugars because you say they are adulterated, which I have proved to be a falsehood. And yet you want to give them raw sugars, which are all full of the sugar mite. I have a drawing of this interesting insect, which you will give the people for nothing in their coffee and tea. Here it is: they call it the "*Acarus Sacchari*."



ACARUS SACCHARI (SUGAR MITE) MAGNIFIED.

You clever men, when you were talking about adulterations, took good care not to say that these animals are found in *all* raw sugar. Hassel says he found them in almost every one of 100 samples of *raw* sugar, but *none in refined sugar*. He found some alive and some dead, and fragments of others, as well as undeveloped eggs. In 15 grains of one sample he found over 100 living *Acari*, or 42,000 to the pound.

And it is by selling stuff with that quantity of animals in it that you propose to give the people better sugar than the refiners, in whose sugar there are none! How kind you are!

CUBAN—I never heard anything of this before!

LUDWIG—No doubt you didn't; but that don't prevent the animals from being there, as I know to my cost, and as the grocers used to know when they handled raw sugars. Of course you have heard of the grocer's itch? These are the little fellows that cause it. You Cubans are just the men they like; you don't interfere with them. Well, now, what sugars have you got that are better than the best refined sugar here?

CUBAN—Well perhaps I was wrong in saying better sugars, but certainly cheaper.

LUDWIG—No; they are not. The price at which you can give the people your raw sugars with the animals is too high. They want our refined

sugars, *without the animals*, at lower prices, and they get them. Of course this is hard on you Cubans. We can give the people the very best sugars cheaper than you can, and we can give them lower grades of first-rate soft yellow sugars, which suit the present hard times, and to which they have taken a great liking, all the way from $6\frac{1}{4}$ cents to $7\frac{1}{2}$ cents. These sugars you don't produce at all, and never could at the price, *even with your* slave labor. You people are very modest ! All you want the American refiner to do is to buy your sugar at $7\frac{1}{2}$ to 9 cents a pound, and spend his capital in reducing it to *refined* sugar at $6\frac{1}{4}$ to 7 cents a pound. Very kind of you, indeed, as the eel said to the fish-hawk who was looking for a breakfast, and wanted him to come to the top of the water.

Now then, I've proved to you :

1. That the driven-out-of-the-business cry is a sham and a pretence.
2. That the adulteration cry is a falsehood ; that the men that made it knew i to be so ; that they dared not attack in the open day ; that no refiner could ulterate without ruining himself.
3. That the fraud cry was as hollow as the adulteration cry ; that your men would only be too glad to prove it, but could not ; and that they had an object in making these two cries, viz., to set Congress and the people against the refiners.
4. That your object in asking for a uniform $2\frac{1}{2}$ cent duty is to fill your own pockets, give the people sugar teeming with animals and Cuban dirt, and ruin the refiners.
5. That you can't give the people sugar either so good or so cheap as the refiners, and that therefore your whole cry and pretensions are a hollow money-making sham and fraud.

Turn over all this in your mind, and you can safely conclude that as soon as Spain or Cuba will break up and ruin such an industry as that at home to gratify us, so soon will the United States break up and ruin us and this immense industry to gratify them and fill their pockets, *but not sooner*. Good night, my friend.

So saying, Ludwig lighted his pipe, drew his chair near the fire, gave me a sly wink and began looking over the election returns, being very anxious about the workingmen's candidates.

I regret to say that since the night when Ludwig gave him the last dose we have not seen our Cuban friend.

[From The New York Staats Zeitung.]

A Refined Fight against the Sugar Refineries.

We publish to-day elsewhere an article upon the sugar question, or to be more exact, upon the attempts which have been, and are still being, made to ruin the American sugar industry. This article is from the pen of a gentleman who seems to have studied the subject thoroughly. The refining of raw sugar occupies, as every one knows, an important place among the industries of this country. It is claimed that ten thousand men, chiefly Germans, have hitherto found work and bread in the sugar refining business.*

We invite all these, as well as the intelligent reader, to ponder over the fact that great danger is threatening this branch of industry, and that this danger can be warded off only by the thorough enlightenment of public opinion upon this matter before it is too late. The article above mentioned will be a very material aid to this end, and to it we wish to-day to direct the attention of the public.

The main strength of this industry is based upon the fact, that the American sugar refiners are able to produce from low grade and cheap classes of sugar an excellent article of consumption; an article which, by reason of its very superior quality and its cheapness is preferred to all other products of this kind. Consequently it is important to this industry, that it shall, as far as possible, be able to import these classes of raw sugar unshackled

*NOTE.—But this by no means represents the army of men dependent upon sugar refining for a livelihood. The 20,000 lumber cutters, stave trimmers and hoop-makers of Michigan, Ohio and Indiana, who prepare materials for the sugar barrels, have to be taken into account. The 5,000 engaged in coopering; the 2,500 constantly employed in making sugar refining machinery; the men working at the animal charcoal (bone-black) business, 30,000,000 lbs. of which are used annually; the miners who work the 300,000 tons of coal annually used in refineries; the railroad men required to load, unload, and run the 30,000 cars of staves, &c., which come East; all these have to be taken into account, and would represent from 50,000 to 60,000. These, with the families dependent upon them, would, at a moderate estimate, make up a total of some 150,000, all dependent on the sugar refining industry for their daily bread.

philanthropic slave-labor producers want a uniform rate of duty of $2\frac{1}{2}$ cents per pound on all these grades of sugar, by which they simply aim at getting in their product at a percentage of not over 46% of its home value, whilst all the low grade raw sugars shall pay also $2\frac{1}{2}$ cents per pound, or 72%, and thus be excluded from importation. This little arrangement proposed by the Cuban slaveholders and their philanthropic American friends is, so far as these people are concerned, all the more astute, as well as the more intelligible, when one considers that they very probably have heavy mortgages on their plantations as well as upon their movable property.

4. The refiners of the United States, who have brought their industry to the highest state of perfection, need no protection and ask for none. In fact, they wish to see sugar, both raw and refined, on the free list. But they say: If the Government *must* levy a duty upon sugar, the duty should be so fixed that the low-grade sugars should pay no higher *ad valorem* duty than the high grades. But if a specific tax of $2\frac{1}{2}$ cents per pound is levied on all grades of sugar up to No. 16, then this tax becomes a prohibitive one on the lower grades, which are bought abroad at $3\frac{1}{4}$ –4 cents per pound, and refined in this country. This demand of the refiners is so just that one cannot see how Congress can deny it.

5. Both Congress and the trade desire a specific duty upon raw sugar. But this can be introduced with safety only if the so-called Polariscopes method of testing sugars be adopted, a method which is now employed everywhere in Europe and the United States for the testing of sugars.

We await with interest the report of Mr. Wells upon this subject. This much is quite certain, that in the present conjuncture there is not the least question of a protective Tariff for the refiners. Their industry, on which, as already stated, thousands of citizens of German descent depend, needs no protection whatever. They have a right to protest against the project of a uniform rate of duty, which would ruin them and only enrich the Cuban slaveholders. We intend to keep a watchful eye upon the doings of the Cuban monopolists.

(Aus der „New-Yorker Staats-Zeitung“)
Nov. 16. 1878.

Ein raffinirter Kampf gegen die Zucker- Raffinerien.

Wir publiciren heute an anderer Stelle einen Artikel über die Zuckerfrage, oder genauer, über die Ver-
suche, welche gemacht worden sind und noch gemacht werden, die amerikanische Zucker-Industrie zu ruini-
ren. Der Artikel stammt aus der Feder eines Mannes, welcher den Gegenstand gründlich studirt zu
haben scheint. Unter den Industriezweigen des Landes nimmt das Raffiniren oder Reinigen des
Rohzuckers bekanntermaßen eine bedeutende Stelle ein. Man nimmt an, daß zehn tausend Männer,
zumeist Deutsche, bisher im Zuckergeschäft Arbeit und Brod gefunden haben. Ihnen Allen, sowie den
verständigen Lesern überhaupt, geben wir zu bedenken, daß diesem Industriezweig bedeutende Gefahren
drohen, die nur dadurch abgewendet werden können, daß die öffentliche Meinung über diese Angelegenheit
gründlich aufgeklärt wird, bevor es zu spät ist. Ein beachtenswerther Beitrag zu diesem Behufe ist der
fragliche Artikel, auf den wir heute die Aufmerksamkeit des Publikums lenken möchten.

Die Hauptforce unserer Zucker-Industrie beruht auf dem Umstand, daß die amerikanischen Zucker-
Fabrikanten befähigt sind, aus anscheinend geringen und wohlfeilen Zuckersorten ein vortreffliches Product
herzustellen — ein Product, das wegen seiner ausgezeichneten Qualität und wegen seiner Wohlfeilheit allen
Producten dieser Art vorgezogen wird. Im Interesse dieser Industrie liegt es deshalb, die betreffenden
Sorten von Rohzucker möglichst frei von Hemmnissen und erschwerenden Abgaben zu importiren. Was
diesen Import erleichtert, wird zur Hebung dieses Industriezweiges beitragen; was ihn erschwert, wird
die Raffinerien und Zuckerarbeiter schädigen, und was endlich den Import ruiniert, muß auch die
betreffende Industrie ruiniren.

Der Angriff geht von den cubanischen Zuckerpflanzern und ihren Agenten aus; der Angriffspunkt
ist der Tarif. Wie es in unserm Interesse liegt, wohlfeile Zuckersorten zu importiren und ihren Werth
durch Industrie zu erhöhen, so liegt es im Interesse der cubanischen Pflanzer, die besseren Sorten zu
hohen Preisen abzusetzen. Um diesen Zweck zu erreichen, machen sie den harmlos scheinenden Vorschlag,
den Tarif so abzuändern, daß alle Zuckersorten unter No. 16 den nämlichen Zoll von $2\frac{1}{2}$ Centz per
Pfund zu bezahlen haben. (Der Einsender spricht nur von 2 Centz per Pfund; indessen kommt es hier
nicht so sehr auf die Höhe als auf die Gleichmäßigkeit der Zoll-Rate für verschiedene Sorten an. Die
Wirkung bleibt bei beiden Angaben dieselbe.) Es ist klar, daß durch eine solche Maßnahme die höhern
und theuerern Sorten im Vergleich zu den niedern und billigen begünstigt würden und die Wirkung wäre,
daß wir die höhern, der Raffinerie kaum bedürftenden Sorten importiren würden. Mit andern Worten:
Der Import des billigen Rohzuckers würde aufhören und damit auch die Industrie, welche durch diesen
Import bedingt ist.

Die Agitation für die Herbeiführung dieses Resultats ist seit einem Jahr im vollen Gange. Um den
Congreß williger zu machen, hat man die Zucker-Importeure des Betrugs und die Zucker-Fabrikanten
der Waarenverfälschung beschuldigt. Beide Anklagen sind durch amtliche Zeugen-Aussagen auf das
Glänzendste widerlegt worden; indessen werden sie neuerdings wieder erhoben, und wir hoffen, daß sie
jetzt endgiltig widerlegt werden. Gelte, die Beschuldigungen wären begründet, so steht man nicht recht
ein, warum die Uebeltäter durch eine monströse Verhöhnung des Tarifs bestraft werden sollten. Be-
trügt der Importeur die Regierung, so mag er nach den bestehenden Gesetzen bestraft werden, und ver-
fälscht der Zuckerfabrikant seine Waaren, so giebt es Mittel und Wege genug, ihm das Handwerk zu
legen. Die Agenten der cubanischen Pflanzer kennen freilich ihre Pappenheimer und sie wissen gut genug,
daß unsere Congresskammer bei einer jeweiligen Verathung des Tarifs sich weder durch das Interesse des
Landes noch überhaupt durch wirtschaftliche Thatsachen leiten lassen. Unter diesen Umständen mögen sie
ihr Ziel leicht genug erreichen, wenn nicht die öffentliche Meinung rechtzeitig die Interessen unserer he-
imischen Industrie zu wahren vermag.

Wie uns mitgetheilt wird, wären die hiesigen Zucker-Raffinirer einverstanden, daß der Zucker-Zoll ganz fiel, um zu beweisen, daß sie Nichts verlangen, was einem Schutz Zoll gleichkäme; aber sie protestiren dagegen, daß man den Rohstoff, dessen sie bedürfen, unverhältnismäßig besteuere und seine fernere Verarbeitung in diesem Lande unmöglich mache. Wie bedenklich die Ersetzung der Werthzölle durch specifische Zölle ist, wird durch dieses Beispiel illustriert. Ein gleichmäßiger specifischer Zoll für Zucker wäre ein Schutz Zoll für die ausländischen Producenten, während bei einem Werthzoll oder bei Zollfreiheit das Ausland mit dem hier raffinirten Zucker nicht concurriren könnte.

Wie wir aus sicherer Quelle erfahren, haben die Zucker-Raffinirer den bekannten National-Oekonomen David A. Wells ersucht, die complicirte Frage zu untersuchen und darüber Bericht zu erstatten. Der Bericht wird dem Vernehmen nach bald im Druck erscheinen und die Interessenten, sowie das Publikum überhaupt, können sich darauf verlassen, daß Herr Wells eine ebenso klare als praktische Lösung der Frage empfehlen wird, die, wie unser Einsender richtig bemerkt, das Land seit mehr als einem Jahre beunruhigt hat.

Wir werden im Nachstehenden die Beschwerden unseres Einsenders und das Wesen der Controverse zu erklären suchen.

1) Gegenwärtig wird der Zoll auf Zucker nach dem sog. Farbe-Test, oder nach der holländischen Prüfungsmethode erhoben, und zwar so, daß der Zoll für die geringsten Zuckersorten (No. 7) 1½ Cents per Pfund beträgt und für die höheren Sorten graduell bis auf 4 Cents per Pfund steigt. Das Criterium für die Unterscheidung der verschiedenen Sorten bildet die Farbe.

2) Diese Methode hat sich aus dem einfachen Grunde als mangelhaft erwiesen, weil eine Zuckersorte, die nach Maßgabe der Farbe zur niedrigsten Classe, also etwa zu No. 7 gehört, sehr viel Zuckergehalt haben und darum für die Zuckerproduktion werthvoller sein kann, als ein heller gefärbter Zucker, der zu No. 10 gehört. Daher das Geschrei über Betrügereien und Zuckerverfälschung. Jedermann, der mit dem Zuckerhandel oder mit der Zucker-Raffinerie etwas zu thun hat, ist mit diesem Prüfungs-System unzufrieden und das Schachamt nicht minder.

3) Die cubanischen Pflanzer, welche zwei Drittel unserer Rohzucker-Einfuhr liefern, verlangen nun, für alle Zuckersorten, die der Farbe nach bis zu No. 16 classificirt werden können, ein und dieselbe Zoll-Rate. No. 16 aber ist eine durch die Centrifugal-Maschine in Cuba halb raffinirter Zucker, welcher in Cuba durchschnittlich 5½ Cents per Pfd. werth ist. Diese phylanthropischen Sklaven-Zucker-Producenten wünschen nun eine gleichmäßige Zoll-Rate von 2½ Cents per Pfd. für alle diese Zuckersorten, wodurch sie begreifen, daß ihr Product unter einem Zoll eingeführt würde, der 46% nicht übersteigt, während alle anderen, geringern Rohzucker-Sorten, einen durchschnittlichen Zoll von 3½ Cents per Pfd. oder 72% bezahlen und deshalb von der Einfuhr ausgeschlossen würden. Diese kleine, von den cubanischen Actien-Inhabern und ihren phylanthropischen amerikanischen Freunden in's Werk gesetzte Arrangement erscheint mit Bezug auf diese Leute um so raffinirter, aber auch um so begreiflicher, wenn man bedenkt, daß sie sehr wahrscheinlich große Hypotheken auf den Plantagen und auf dem beweglichen Eigenthum in Cuba haben.

4) Die Raffinirer in den Ver. Staaten, welche ihre Industrie nachgerade auf den höchsten Grad der Vollkommenheit gebracht haben, bedürfen keiner Protection und sie verlangen auch keine. In der That, sie wünschen den Zucker auf der Freiliste zu sehen den rohen sowohl als den raffinirten. Allein sie sagen: Wenn die Regierung eine Revenue vom Zucker erheben muß, so ist die Sache so zu arrangiren, daß die geringern Zuckersorten keinen höhern Werthzoll zu bezahlen haben, als die bessern. Sie verlangen, in diesem Fall einen Werthzoll von 40 bis 50 Procent auf alle Zuckersorten. Wenn aber ein specifischer Zoll von 2½ Cents auf alle Zuckersorten bis zu No. 16 erhoben wird, dann wird dieser Zoll in Bezug auf die geringern Sorten, die zu 3½ bis 4 Cents per Pfund gekauft und in diesem Lande gereinigt werden, prohibitiv. Dieses Verlangen der Raffinirer ist so gerecht, daß man nicht einseht, wie der Congreß dasselbe abweisen kann.

5) Der Congreß sowohl, wie die Kaufmannschaft wünschen einen specifischen Zoll auf Rohzucker. Dieser kann jedoch nur unter der Bedingung mit Sicherheit eingeführt werden, wenn der Zucker nach der sog. Polariskope-Methode, die jetzt allenthalben in Europa und in den Ver. Staaten zur Prüfung des Zuckers angewandt wird.

Wir erwarten mit großer Spannung den Bericht des Herrn Wells über diese Frage. So viel steht fest, daß es sich bei dieser Angelegenheit nicht um mindestens um einen Schutz Zoll für die Raffinirer handelt. Ihre Industrie, die, wie bereits bemerkt, Tausende von Bürger deutscher Abkunft beschäftigt, bedarf keiner Protection. Sie haben ein Recht, gegen das Project der gleichmäßigen Zoll-Raten zu protestiren, welche sie ruiniren und nur die cubanischen Sklavenhalter bereichern würde. Wir werden ein wachames Auge auf das Thun und Treiben der cubanischen Monopolisten richten.

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